

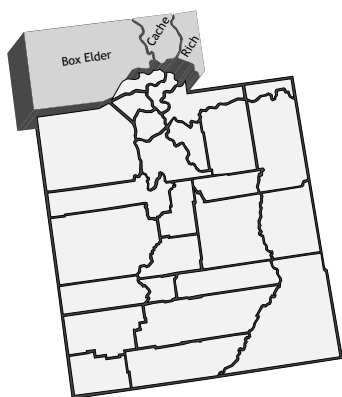
Workforce News



A quarterly publication of the Department of Workforce Services: issued March 2010

Bear River: Box Elder, Cache, Rich

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Inside:

- **Box Elder:** Job losses reach nearly 10 percent with construction and manufacturing hard hit.
- **Cache:** Unemployment rising as job cuts continue.
- **Rich:** Employment sliding and unemployment rising slightly.

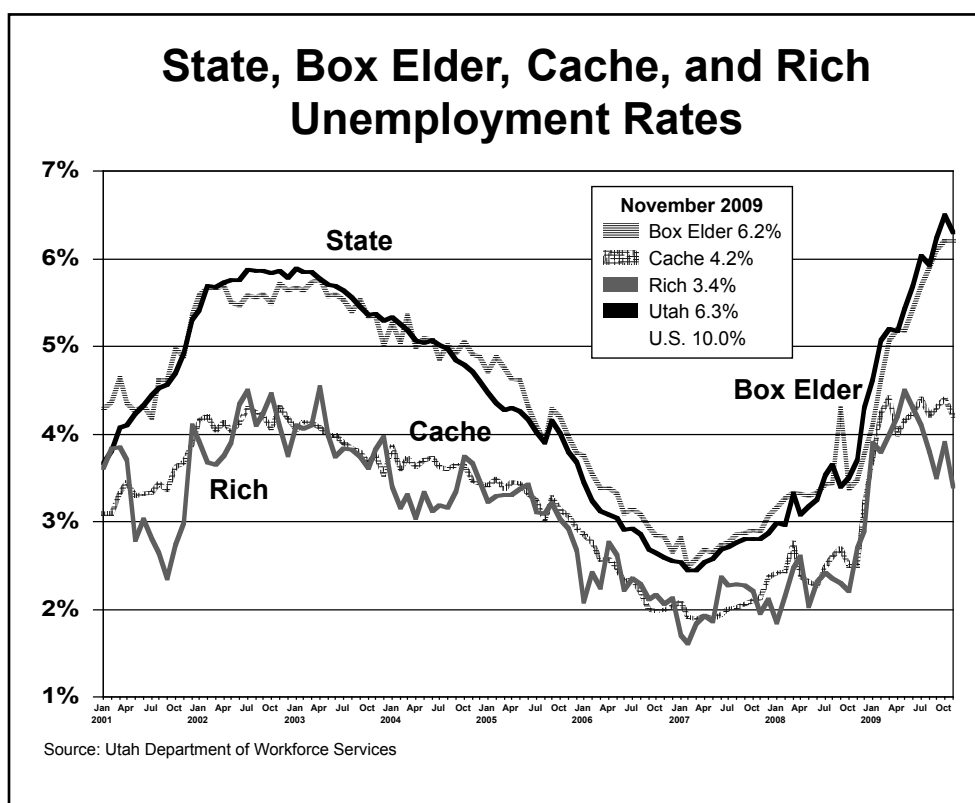


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In Recession? Where Do the Bear River Counties Stand?



The R word has been flying around now for a couple of years so it's time to take a look at where the local economies are in this context. First of all, the nation has been in a recession since December of 2007. But have the three Bear River counties also been in a recession? It is safe to say that the answer is yes, but the recession has impacted the counties in different ways and at different times. The primary indicator for an economic downturn at the county level is sustained loss of jobs.

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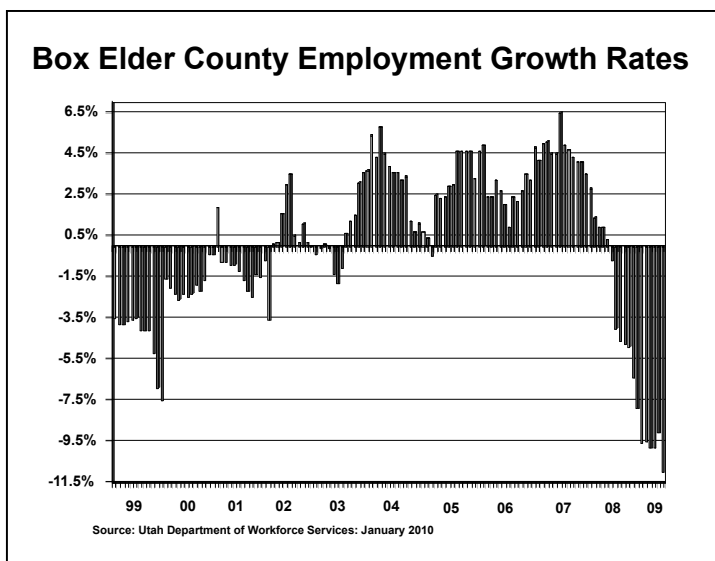
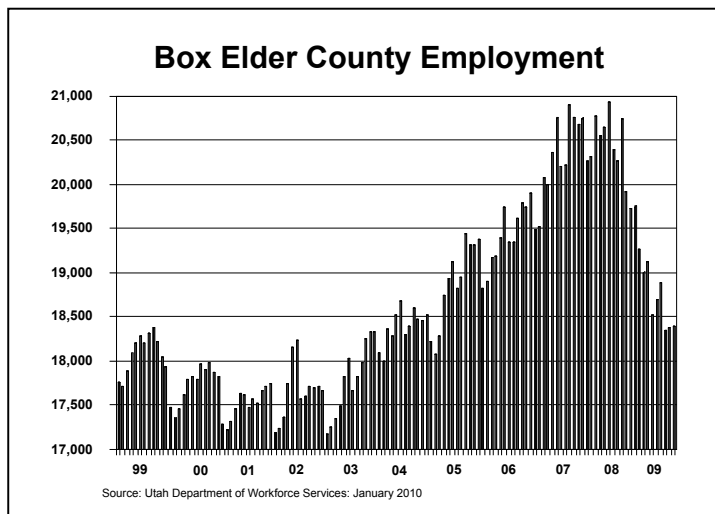
In Recession? (continued)

Box Elder County

The recession has impacted this county the hardest. Box Elder had, for about four years, enjoyed significant growth. From around 18,000 jobs in 2004 employment built to a peak of 20,500 level in June of 2008. Then layoffs and other job losses impacted the county to where total job counts dropped to about 18,400 in September of 2009. Month-by-month total employment fell and unemployment rose. In effect, the recession has caused the county to lose all the jobs it had gained since 2004. At least the total jobs count is back to the 2004 level. Growth rates in employment peaked at 6.5 percent in September of 2007. Job losses started in earnest in Aug 2008 and accelerated to 11.1 percent in September of 2009. Hardest hit were the construction and manufacturing industries. Unemployment rose from a low of just under 3.0 percent to the current 7.2 percent (December 2009). Consumer spending rates, because of the lack and loss of employment, dropped through zero and onto the negative side of the ledger. Third quarter 2009 year-over spending was down 12 percent. Hopefully the national and state recessions have bottomed out, but in terms of jobs, declines may continue.

Cache County

Strong, steady growth described the county's economy over the last decade. Total job counts increased from around 40,000 in 1999 through the fall of 2007. Total employment peaked in October of 2007 at 52,100. As the recession struck, its impact on Cache county was not as severe as other areas in the state. Growth slowed through most of 2008. The county actually started losing jobs in November 2008 as growth rates went into the negative side and have stayed there through September of 2009. The loss of employment peaked in June of 2009 with a

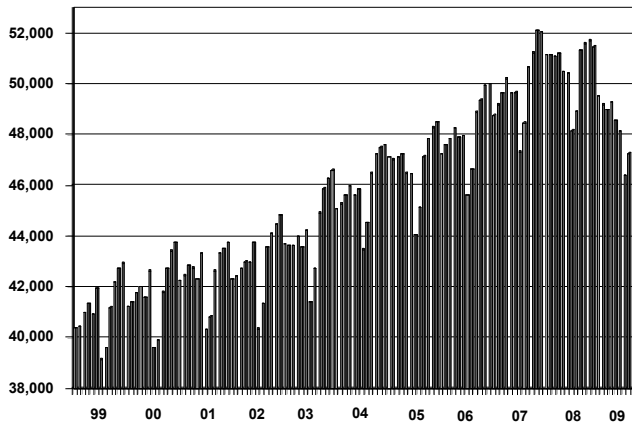


-4.6 rate of decline. In July, August, and September (2009) job growth slowed to about -3.3 percent. Declining employment is not business as usual in Cache County. In fact, since 1999 there have been only four months that the year-over change in jobs has shown a loss. Even in the recession, Cache's unemployment rate has stayed relatively low, currently at 4.7 percent. Spending in the county was actually up by

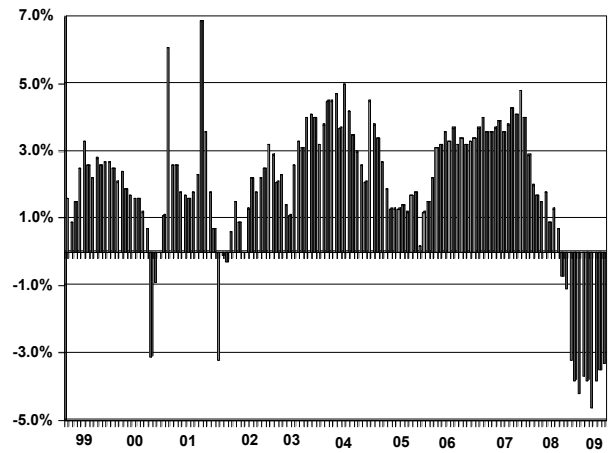
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In Recession? (continued)

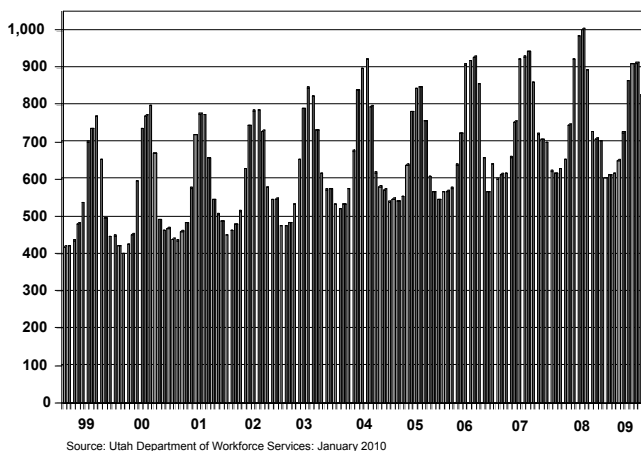
Cache County Employment



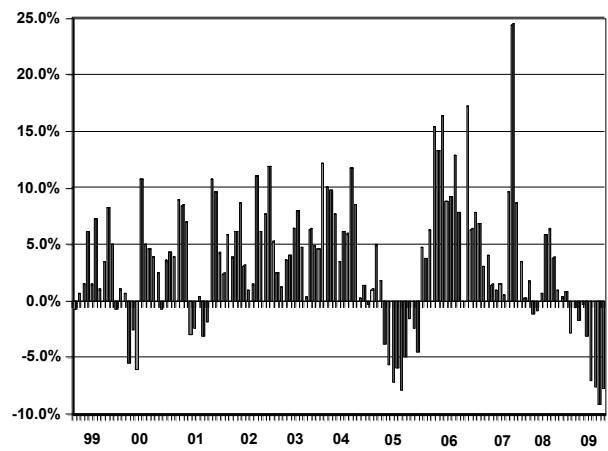
Cache County Employment Growth Rates



Rich County Employment



Rich County Employment Growth Rates



4.3 percent through September 2009. That's a good sign. Even though some say the recession may be over, the lag in employment growth may well continue for months, or perhaps even years.

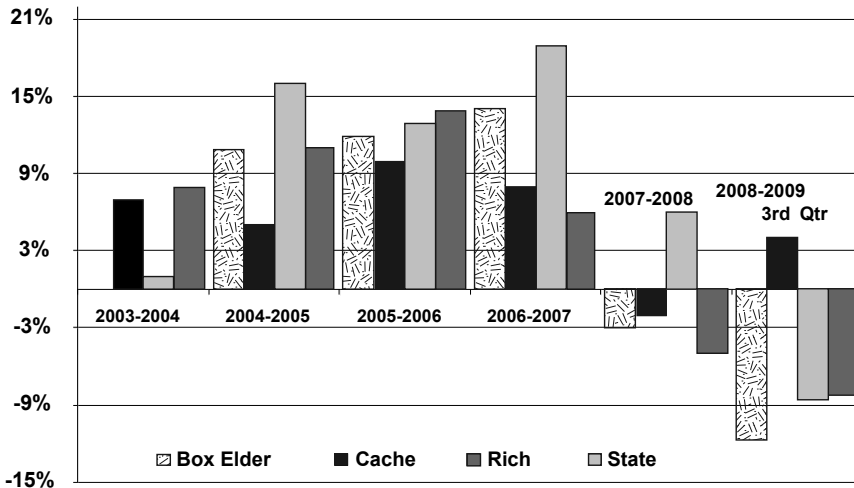
Rich County

The recession has impacted Rich County, but not by the same magnitude it has other counties. Year-over

job losses did not even start occurring until January of 2009, much later than some of its neighbors. Total employment in the county has never been higher than in August of 2008, at 1,000 nonfarm jobs. Although employment did slip by about 90 jobs to the 910 level in August (the peak year for Rich County's very seasonal employment), that's not

In Recession? (continued)

Box Elder, Cache, Rich, & State Gross Taxable Sales (spending) Rate of Change 2003-2008



Source: Utah State Tax Commission.

a huge amount. Employment did decline at a faster-than-seasonal rate after the August peak. Much of that loss was due to seasonality, but there was a modicum of recessionary forces at play as the rate was higher than normal (-9.1 percent). Unemployment did jump about 2 percent to 3.5 percent during 2008 and 2009. The December unemployment rate was 4.2 percent. All in all, Rich County has felt the downturn but dodged the major impacts other larger counties have experienced. **WFN**

For more info:

You can get occupational wage rates for individual occupations and wage tables showing all the survey occupations at:

<http://jobs.utah.gov/jsp/wi/utalmis/gotoOccwage.do>

What's Up?

"Construction of the **Ruby Pipeline** is one step closer to beginning. The Federal Energy Regulatory Commission issued a final environmental impact statement that said the pipeline would have some harmful environmental impacts, most of which could be brought to what FERC called less-than-significant levels by proposed mitigation efforts. Rich, Cache, and Box Elder counties will get about \$4.7 million of property tax on the value of the pipeline, with about \$3.5 million going to Cache County."

-Standard Examiner

"**Stimulus money** dished out by the federal government to resuscitate the nation's lagging economy has helped Cache County, \$13.8 million of which is going to various Utah State University research projects and student loan programs. Nearly \$10 million is going to private enterprises. Forty Cache County businesses have received or are set to receive \$9.9 million in stimulus-funded low-interest loans."

-Herald Journal

County News

Box Elder County News

Third quarter experienced more job loss, nearly 2,300. The unemployment rate for December was 7.2 percent, well above the 2008 December rate of 5.0 percent. Employment in the county dropped from 20,700 in 2008 to 18,400 in 2009 (September). That's an 11.0 percent loss, or about one in ten jobs compared to last year. Over 1,860 of the total loss was in just two sectors, construction (-700) and manufacturing (-1,170). Virtually all industries suffered, with healthcare adding 80 new positions compared to a year ago. The recession's impact was also felt in construction, which was off through the first 11 months of 2009 in both dwelling permits issued (-38 percent) and valuation of permitted construction (-57 percent). Gross taxable sales receipts were off (-12 percent) as consumers restricted their spending. At the state and national levels there are some positive signs of the recession bottoming out, but not yet in Box Elder County.

Cache County News

Third quarter 2009 was not kind to Cache County's economy. Unemployment in December 2009 was reported at 4.7 percent—up a half a percentage point from December 2008. Job declines over the three months ranged from -3.4 percent (September) to -3.9 percent (July). In September there were 1,750 fewer jobs than in September of 2008. Leading the way in losses were manufacturing (-650) and construction (-470). These two sectors combined to lose 1,120 of the total 1,750 jobs shed. Wholesale and retail trade combined to drop 300 slots and financial activities reduced payroll by another 100. Business services were off 8 percent, or a loss of 450 jobs. Even the usually solid healthcare sector lost 70 positions compared to last year. The only bright light of job growth was in accommodation and food services, which added 270 new positions. Federal and state government dropped jobs, but local government added 210. Even with all this malaise,

Cache County's economy is still stronger than many of its neighbors, particularly Box Elder County. That, of course, doesn't provide a lot of solace to those without work.

Rich County News

Employment peaked in August of 2008 when over 1,000 workers were employed in nonfarm establishments. The recession and the seasonal nature of the county's economy changed that. In September of 2009 only 830 jobs were in place. Between September of 2008 and September of 2009 employment dropped at a rate of -7.7 percent, or 70 fewer jobs. Just about 40 of these were in construction, which is declining in virtually all counties as the recession squeezes building and financing. On the brighter side, 30 new slots opened up in retail trade. That growth was offset by a decline of the same amount in business services. Twenty jobs were shed in the leisure and hospitality sector. The December unemployment rate for Rich County was 4.2 percent, reflecting a jump up from 3.4 percent of December 2008. Building activity showed some mixed reports with permits up by a third to 56, yet valuation of construction was down 28 percent for the first 11 months of 2009 compared to 2008. Spending by consumers in the county was off by 9 percent looking at third quarter 2009. Third quarter's experience still reflects the presence of the recession, with little evidence of much improvement in the near future. **WFN**

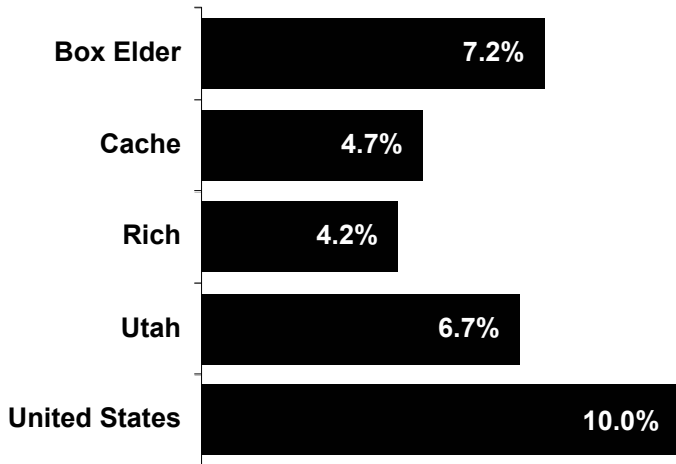
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Get detailed county-level data and historical county data at:

<http://jobs.utah.gov/countyinfo>

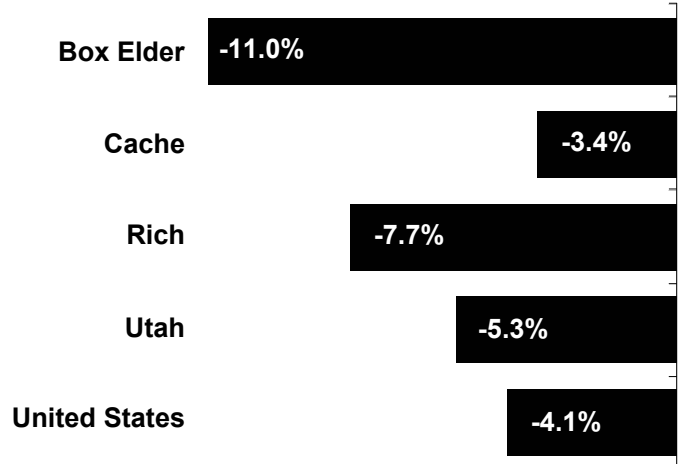
When there, select which county you want to view, then find the *Demographic and Economic Profile* under Publications in the right-hand column.

Seasonally Adjusted Unemployment Rates
December 2009



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

Percent Change in Nonfarm Jobs
September 2008 to September 2009



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

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